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# AGRICULTURAL MARKETING

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U.S. MARKET OF MARGUTURE BELTSVILLE BRANCH

# DAIRY PLANT INSPECTOR

That's what Harold K. Linden says about his work as an assistant area supervisor for the Dairy Division of the U.S. Department of Agriculture's Consumer and Marketing Service. Working out of the Minneapolis area office, Linden helps supervise the Dairy Division's wide range of inspection and grading services. One of his major responsibilities is the plant survey (inspection) program.

Linden takes personal pride in this program which he sees as important in the production of wholesome, high quality, and good-tasting dairy products. Such products win consumer acceptance and mean good business for the manufacturer, he points out. So he looks on his work in this area as a help to both manufacturers and consumers.

Stationed in the heart of "Dairy Land," Linden has a big job-especially with the plant surveys. More than 700 plants are operating under the inspection program in the 11 States served by the Minneapolis office. Linden not only works on the surveys himself-he also supervises

Challenging one."

33 other Federal-State plant survey inspectors.

Survey approval is the first step toward use of the USDA grade shield on dairy products. Only after such approval can manufacturers qualify for the USDA services of grading, sampling, testing, and certification of the products they pro-

An official plant survey requires detailed checks on over 100 items. These include the plant, raw materials, equipment, sanitary practices, and processing procedures. For example, pipelines which carry milk are taken apart to make sure that they contain no residue which could affect the milk in any way.

"We take pride in being thorough and making a fair evaluation," Linden says.

Plants taking part in this voluntary program are reinspected quarterly or semi-annually to keep their eligibility for grading service; the types of products produced in a plant determine how often the inspections are made there.

Linden's background is similar to that of other inspectors. He was raised on a dairy farm and has a

degree in dairy manufacturing from the University of Wisconsin. He has worked in many areas of the industry. In addition, he regularly attends training sessions given by the Dairy Division on new developments-all of which helps him to help industry and consumers.

Part of the plant inspection is taking apart milk pipelines and checking for sanitation.



### **COVER STORY**

School children rate two types of grape juice donated by USDA to the School Lunch Program. See page 6.



**ORVILLE L. FREEMAN** Secretary of Agriculture

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# Toward Better Incomes for American Farmers

Section 32 purchase programs are intended to provide price assistance to farmers, find useful outlets for farm products, and improve the diets of school children and needy persons.

By Rodney E. Leonard Administrator, C&MS, USDA

I N 1936 THE U.S. Department of Agriculture spent \$75,000 for rolled oats.

In 1964-65, it spent nearly a quarter of a billion dollars to buy beef.

Both actions were for the dual purpose of improving farm income and improving the diet of low-income families. They were taken under authority of a program that goes by the cryptic title of "Section 32"—which is reference to a section of Public Law 320, passed by the 74th Congress—The Agricultural Act of 1935.

In every year since the passage of that Act, USDA has conducted Section 32 purchase programs—chiefly to aid producers of perishable farm products not eligible for price support programs. The amounts spent have varied with the needs—over the past 7 years the annual expenditure has averaged \$200 million. Funds for these purchases are authorized on a continuing basis and derive from a percentage of the duties collected annually on imports.

Year in and year out, the purchase programs do much to alleviate the financial woes of producers during periods of acute difficulty. They act, in effect, like a safety valve, to relieve the pressures generated by temporary surpluses.

Though often accounting for a very small percentage of total production of a commodity, Section 32 purchases usually have a price-lifting effect on the market and help avert financial disaster for producers.

Even the mammoth beef buying operation in 1964-65—the largest purchase program in USDA history—amounted to just about 3 percent of total production. But it, together

with vigorous promotional efforts on the part of both USDA and the beef industry, did help avert a threatened collapse of the industry.

Over the years, Section 32 programs have helped almost every part of the agricultural economy. In recent years, products assisted have included beef, pork, lamb, turkeys, eggs, lard, butter, cheese, nonfat dry milk, dry beans, potatoes and various other vegetables, fruits—and even cotton and tobacco.

Section 32 programs can take the form of not only purchases, but also export or diversion. The most recent diversion program is the one for potatoes, under which payments are made to reimburse producers who divert potatoes to secondary and lower-paying uses such as the manufacture of starch and the feeding of livestock.

But purchase programs are by far the most widely used. Foods acquired are donated to schools, institutions and the needy, including those who are the victims of disasters such as floods and hurricanes. And so the purchases aid not only producers but also children and needy persons.

Consumers benefit, too—because these programs help avert disastrously low prices to producers which could drive many of them out of business. Distress prices can benefit consumers only in the short run. In the long run, such prices would force severe curtailment of production and consequently short food supplies and much higher prices. The best interests of consumers, as well as producers, are served by avoiding wild swings in both production and price.

The exact effect of a Section 32 program is often hard to measure, since so many variables enter into the price-making forces at work.

But as an example, consider the recent program to buy commercial laying hens. This program was announced by Secretary Freeman in early November, following meetings with the poultry and egg industry. Industry representatives, pointing out that egg prices had dropped to levels not experienced since the 1940's, made an earnest plea for a Section 32 program to "rescue" the egg industry.

USDA offered to buy commercial laying hens—to hasten the culling of laying flocks, reduce egg supplies, and bolster prices to producers.

Just before the purchase program was announced, the national average price to farmers for eggs was 28.6 cents per dozen. By mid-December, the price had climbed to better than 32 cents.

A small increase? Yes, but with 110 million dozen eggs sold off farms each week, an increase of 3.5 cents per dozen means an increase of nearly \$4 million in cash receipts of producers for just one week! It would come to more than \$15 million for a month.

Egg prices still are giving producers concern, but the Section 32 purchase program for laying hens did what Section 32 programs are supposed to do—it gave a lift to prices at the point when it was most needed, helped to steady the market, and enabled many producers to weather the economic storm.

And, not incidentally, the stewing hens purchased provided some high-quality protein meals for school children. This is another, and important, aspect of Section 32 purchase programs. They are intended not only to provide limited price assistance to farmers but also to find useful outlets for farm products—widen their markets—and to improve the diets of school children and needy persons.

They have fulfilled both purposes well over the past 33 years. We expect they will continue as an equally useful weapon in the years ahead in the battles to close both the nutrition and the farm income gap.

# School Lunch Program Booms in Fulton County, Ga.

Special training classes, menu-sharing, fresh baked bread, staggered lunchroom schedules, awareness of special teenage eating problems — plus much cooperation and hard work—have sparked an increase in this county's school lunch participation.

PERHAPS IT ISN'T always that a booming metropolitan area, like Atlanta, carries along with it a booming National School Lunch Program. But that's what happened last fall in Fulton County—all its 64 schools are participating in the program. Student participation jumped to 77 percent, an increase of 16 percent over the previous year. These 64 schools in the Fulton County school system range from those in small towns to the large ultra-modern urban schools. Average daily attendance in these schools totals nearly 31,000 students.

The NSLP's success in the Fulton County school system is due to the efforts of numerous people, led by school superintendent Paul West.

No small part of the success of the school lunch program is due to Mrs. Sarah Sloan, the county's Director of School Food Services.

For a long time her determination has been to put the school lunch program in every school under her jurisdiction. She has fully used her own ideas in addition to enlisting the help of everybody from principals to lunchroom workers to the students themselves.

Among the first things Mrs. Sloan did in paving the way for the school lunch program in every Fulton County school was to put foods donated by the U.S. Department of Agriculture to all possible uses.

Through special training classes, a system of menu-sharing and a great deal of hard work, the lunchroom workers have learned to stretch their budget to an almost unbelievable degree.

This past summer emphasis was placed on the use of USDA commodities in making breads. To date, 175 lunchroom managers and employees have participated in a special baking course. The variety baked ranges from homemade biscuits to hot dog buns. And as for their quality, lunchroom officials say it has been one of the main reasons that more students are eating lunch this year.

One lunchroom manager says, "Most of the students aren't used to having fresh baked bread, and they really enjoy eating it at school. Because of this, we bake bread for additional servings."

To improve interest and accelerate participation in lunches at elementary schools, lunchroom managers visit classrooms to introduce new foods and encourage parents to visit schools and eat lunch with their children.

It has proven a greater problem to encourage high school students to eat in school lunchrooms and this has required a greater effort to boost participation. Informal meetings were arranged between principals and faculties to discuss the merits, economical and nutritional, of the school lunch program. Lunchroom schedules were staggered so that students would not have to wait in line for more than 5 minutes, and menus were announced over the public address system so that students were able to know in advance which line they want.

As a further inducement for high school students to eat lunch, many Fulton County high schools have a "hot line" and an "express line." Both meet nutritional requirements established by USDA's Consumer and Marketing Service, the agency which administers the School Lunch Program nationally. The hot line features a regular plate lunch, the express line—a hamburger plate, or a low-calorie, high-protein salad bowl.

Mrs. Sloan says that students' attitudes toward this arrangement have been amazing. Since everybody knows how much teenagers like hamburgers, she decided to make use of this fact. She is also aware that schools often forget that the "teens" sometimes have problems with weight and complexion. By offering a low-calorie salad bowl, she found that many students who ordinarily wouldn't eat anything for lunch due to a weight problem turn up in the cafeteria every day.

In addition to being good for the dieter, the fruits and vegetables used in the salad bowls do wonders for a teenager's complexion.

"Although the schools still must buy a large quantity of food locally, to furnish students a well-balanced meal, the donated foods make an appreciable dent in the lunchrooms' needs," Mrs. Sloan said. In addition to donated food, schools participating in the lunch program also receive a partial cash reimbursement for every meal served—the national average this year is about 4-½ cents per lunch.

Schoolchildren see food being prepared (left) and how the large equipment works.





Among the foods that the Fulton County schools receive at no cost from C&MS are frozen boneless beef, ground beef, chicken, canned chopped meat, butter, cheese, canned pineapple, enriched flour, enriched cornmeal, enriched rice, dry beans, dry milk, shortening or lard, peanut butter, raisins, orange juice, canned peaches, tomatoes, peas, applesauce, string beans, pears, grapefruit sections and dried eggs. Some of these items are received in quantities representing 3 to 4 servings per child. Others, like flour, cornmeal, peanut butter or dry milk are available in greater quantities.

By using these foods whenever possible in menu planning, Fulton County lunchroom managers are able to purchase locally more of the "extras" that students enjoy eating.

The NSLP has also helped the Fulton County school system by providing special cash assistance to needy schools, thus making additional free lunches available. Six of the county schools, with a combined average daily attendance of 2,000 students, receive this special assistance. One of these schools also received special aid to help buy basic kitchen equipment enabling them to maintain an effective lunch service. This school has an average daily attendance of 400, and 55 percent of the students get lunch free.

Mrs. Sloan said that about 2,120 free lunches have been served daily throughout the county since the beginning of this school term. The total number of free or reduced price lunches has averaged 10 percent daily compared to 6 to 8 percent last school year.

Mrs. Sloan wants to provide every student in Fulton County with the opportunity to enjoy a tasty, nutritionally ample lunch. She also wants to make the lunches appeal to the students' individual needs and appetites.

"But then," Mrs. Sloan says, "I suppose this is the goal of all people who work in the school lunch field." It's a big order, and she seems to have come through with flying colors.

# How to Buy BUTTER

This latest publication in the "How To Buy . . ." series gives useful information on U.S. grades and tips on storing, using, and serving butter.

BUTTER BUYERS—take note! A new publication from the U.S. Department of Agriculture's Consumer and Marketing Service gives you some valuable tips on buying butter.

"How To Buy Butter" contains information on the U.S. grades, along with hints on storing, using and serving butter.

Among the many useful facts in the booklet are these:

\*The USDA grade shield is a reliable guide to quality. All butter bearing the grade shield (U.S. Grade AA, A, and B) has been checked by a Government grader, who judges its quality on the basis of official written standards.

\*To qualify for this grading service, the manufacturing plant is thoroughly inspected to see if it meets USDA approval of sanitation and operating practices.

\*U.S. Grade AA butter has these characteristics: delicate, sweet flavor; made from high quality, fresh sweet cream; smooth, creamy texture with good spreadability; salt com-



pletely dissolved and blended in just the right amount to enhance the butter's savory quality.

\*U.S. Grade A butter has a pleasing flavor, a fairly smooth texture, and is made from fresh cream.

\*U.S. Grade B butter may have a slightly acid flavor, and is generally made from selected sour cream. Some consumers prefer the characteristic taste of Grade B butter.

\*Because of its delicate flavor and aroma, butter should be stored in the original protective wrapping or container until ready for use.

\*Freeze butter you can't use within two or three days. Butter will maintain quality in the freezer for about two months.

\*Make butter the first ingredient on sandwiches—it adds to the flavor and keeps the filling from soaking into the bread.

For a copy of "How To Buy Butter," Home and Garden Bulletin 148, send your request after April 15 to Office of Information, U.S. Department of Agriculture, Washington, D.C., 20250. Include your Zip code.

# DOES IT PASS THE TASTE TEST?

GRAPE JUICE  Check the box under the picture which shows how you feel about the grape juice. Check one box only.
00
Like Don't Do not like
Name Grade

Elementary and junior high school children came up with the verdict on two types of grape juice donated by USDA to the School Lunch Program.

Does it pass the taste test? This is the question the U.S. Department of Agriculture wanted answered about canned grape juice being donated this year for the first time to the Nation's school lunch programs.

Each year USDA purchases and donates a variety of nutritious foods to the Nation's schools to help expand and improve school lunches. This food aid, in addition to Federal cash reimbursement, covers about 20 percent of program costs for schools in the National School Lunch Program. State and local sources, including children's payments, make up the remainder. About 80 percent of the food used in the nationwide lunch program is bought from local sources. These local purchases by the schools totaled nearly \$900 million last school year.

USDA purchased 317,400 cases of grape juice at a delivery cost of about \$1.5 million for distribution to schools with lunch programs. The juice, processed from Concord type grapes, with Vitamin C added, and packed in 46 fluid ounce cans, is U.S. Grade A (Fancy), prepared without concentration, without dilution and without added sweetening. Because of the difference in natural sugar content of grapes grown in different parts of the country, some lots of the juice are sweeter than others.

To find out how well children like two types of juice that differ in natural sweetness and tartness, taste tests were conducted at the Chestnut Hill Elementary School and the Beltsville Junior High School, both in Beltsville, Maryland.

Home economists of Consumer and Marketing Service's School Lunch Division and food specialists from the laboratories of the Human Nutrition Research Division of Agricultural Research Service at Beltsville jointly planned and conducted the taste tests.

During a three-day period in each school, children from the 4th and 5th grades and the 7th and 8th grades sipped the two types of grape juice before eating their lunch. They tasted the juice prepared in different ways—full-strength, diluted and/or sweetened. Each child then noted his reaction on a questionnaire as "like a lot," "like," "don't know," or "do not like." A drawing of a child's' face showing the range from approval to dislike illustrated the choice.

The younger set, 4th and 5th graders, endorsed the grape juice by a near-unanimous vote. In 92 to 96 percent of the responses these children indicated their liking for both types of juice served in any of the three ways.

Most of the junior high students also liked the grape juice, but were somewhat more discriminating in their tastes. A majority of these students liked the juice that was naturally sweeter and less tart served in any of the three ways. However, in tests on the naturally less sweet juice, they preferred the sweetened or diluted and sweetened samples over the undiluted juice.

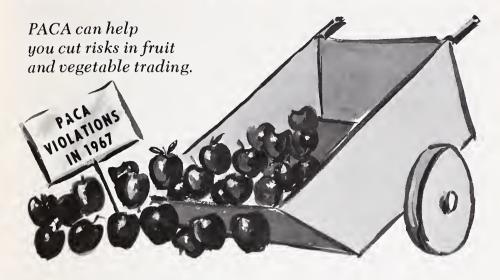
ARS food specialists point out that if the juice is diluted according to directions (2 cups of water per can of juice), 1/3 cup diluted juice will contribute 1/4 cup of the vegetable and fruit requirement of the Type A lunch for schools participating in the National School Lunch Program. A serving (1/4 cup or more) of full-strength juice may count as meeting not more than 1/4 cup of the vegetable and fruit requirement of the Type A lunch.

The Type A pattern for the school lunch was developed by USDA nutritionists based on tested nutritional research. The School Lunch Division of Consumer and Marketing Service is continually reviewing the Type A pattern according to the latest findings in nutritional research. This way they can help schools provide children with the must nutritious lunches.



# Advice for producemen

# DON'T UPSET THE APPLE CART!



By Gordon V. Barnes

NO-PAY, SLOW-PAY, CLIPPING, and FALSE ACCOUNTING lead the field in violations of the Perishable Agricultural Commodities Act, the produce industry's code of business ethics.

In 1967, they comprised 70 percent of the PACA violations by produce traders, U.S. Department of Agriculture figures show.

While the risk element in fruit and vegetable trading is about as high as the sky, producemen can cut it—and abstain from upsetting the apple cart—by keeping in mind a couple of simple guidelines.

- Avoid the big gamble. If you overextend yourself, chances are you won't have the money to pay the shipper when you're billed for the produce you've ordered. Make sure you'll be in a position to pay him as soon as he delivers the shipment. And when you do pay, make it the actual amount you've agreed to pay him, even though the market price might have dropped by the time the load arrives.
- Keep good records. PACA spells out the basic records that producemen need to keep, depending on the nature of their business and whether they're market receivers or commission merchants, brokers, shippers, or growers' agents.

But remember, you need to have a good system—then follow it! And make spot-checks to see that your employees are following it. Be able to verify all your expenses, such as those for reconditioning produce. If you make a deal over the phone, confirm it in writing by sending your supplier a brief, but accurate memo to show what you've ordered, the price you've agreed to pay, and when you'll pay.

Sounds simple? Almost like a common-sense way of operating a business? It is. But the figures nevertheless show how easy it is for some producemen to upset the apple cart.

PACA officials with USDA's Consumer and Marketing Service have their hands full in handling a throng of complaints that crop up every day all over the country. A complaint develops when one party to a contract feels cheated because the other won't abide by it—usually by failing to pay promptly or failing to accept or deliver the produce as agreed.

But the PACA men also spend a lot of time—and this is a job more to their liking—keeping produce traders aware of their rights and responsibilities under PACA. The officials are always anxious to give out advice when asked, either on a particular contract or on PACA requirements in general.

Looking at the other 1967 violations of PACA in order, they include: misbranding—13%, improper records—4%, failure to deliver—3%, rejections without reasonable cause—3%, and a number of miscellaneous ones—7%.

PACA men find that most instances of misbranding result from careless practices. Most common targets are grade, net weight, and area-of-origin. The best way to make sure your produce complies with the marks on the container is to verify it with Federal-State inspection. If you use second-hand bags, make sure they're turned inside out or blot out any incorrect markings that may show. In repackaging produce into consumer-size units, guard against short weights.

As for your responsibility to deliver produce as agreed, remember that even though the market price goes up after you make that contract, you don't have the right to go back on your word.

The same is true of rejections when the price goes down. Again, you need to act in good faith. If you think you have the right to reject a shipment, get the proper evidence to support it, such as an official inspection of the produce.

For more on how to avoid produce disputes and PACA violations, write for this leaflet: PA-804, The Perishable Agricultural Commodities Act, Fair Trading in the Fruit and Vegetable Industry. It's free from Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250.

The leaflet outlines PACA requirements and unfair business practices under the Act, tells you how to file a complaint, says who needs to have a PACA license, and lists PACA offices where produce dealers, growers, wholesalers, and retailers can get advice on their produce marketing transactions.

The author is Head of the Complaint Section of the Regulatory Branch, Fruit and Vegetable Division, C&MS, USDA.

AT THE HAMBURGER stand, the drive-in, the fancy restaurant, and at home—frozen french fried potatoes please the youngster, the teenager, the gourmet, and especially that harassed tender of the stove, mother.

We've been leaving most of the cooking of french fries to the processing plants since about 1956. Commercial production of frozen french fries really got going that year, after small beginnings in 1945. And from an average consumption of 3 pounds of frozen french fries per person in 1956, we moved up in 1967 to about 18 pounds of frozen potato products—french fries, hash browns, puffs, and other special packs.

Some of these products came to us from Washington State's Columbia Basin. Irrigation of this former desert area, plus the increased demand for frozen potato products, has brought about a surprising growth in recent years in land planted to potatoes and in plants to process the potatoes.

But while we leave most of the

cooking (and all the peeling and cutting) to the processing plants, we don't have to worry about the quality of these frozen products. Most of the frozen french fries processed in the Columbia Basin are inspected for quality by the U.S. Department of Agriculture's Consumer and Marketing Service. C&MS also inspects frozen french fries produced in Maine, Michigan, and other areas.

All of the six new plants processing frozen french fries in the Columbia Basin have requested and are using C&MS inspection. Two plants use lot inspection. This means they have the condition and quality of a specific lot of their products examined and certified.

Four of the six plants—beginning with the first one to open in 1960—requested C&MS continuous inspection as soon as they started operating.

Continuous inspection means just what it says—an inspector is on duty at all times the plant is operating. But his job actually begins before operations start because he first must see that the plant meets rigid sanitation requirements to qualify for continuous inspection.

Making french fries in a processing plant begins the same way it does at home—you check over the potatoes and wash them. But it's a large-scale operation in the plant, and the C&MS inspector sees that good potatoes are being used and that the washing job is adequate.

In some plants, washing is done by hosing the potatoes from storage bins into a floor-level flume (a shallow trench in the floor). This is a two-in-one operation, because the potatoes are moved along in the flume, by the water used to wash them, to the next step in processing —the peeling operation.

Peeling is usually the most timeconsuming job in the home kitchen, but it's short work in a processing plant. In some plants, the potatoes are moved up from the flume by a conveyor through a steam bath or a caustic solution. The steam or caustic solution loosens the skin, which is then rubbed off in ma-

umbia Basin.

Frozen potato products now come in many forms – here are some of the varied

types produced in the Col-

WE'RE EATING MORE FROZEN

C&MS inspects frozen potato products in Washington State's Columbia Basin and in other producing areas

By Edwin C. Williams

French fries, a welcome accompaniment to lunch or any meal, grow more popular each year.





chines equipped with rubber rollers and water sprays.

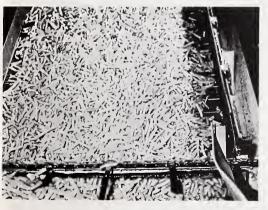
The clean peeled potatoes are moved from the peeling machines onto wide moving belts. Workers standing beside the belts examine each potato for defects and trim them when necessary. The inspector may make a spot check here to see that the potatoes are peeled properly and are free of defects.

From here on, machines and automatic equipment do the work, with the plant employees making sure the equipment is doing the job right, and the inspector also checking each part of the process.

The potatoes are neatly cut by the slicing machines, small slivers and side pieces are removed by a screen, and the potato strips or crinkle-cuts are moved through a hot water bath so they are partially cooked. Next they go under heating units so excess moisture is removed. Then into the frying pans!

The fryers are long vats of oil. The potatoes are moved through the vats and then again passed beneath

On the processing line the hot french fried potatoes are cooled before they are moved into the freezing rooms.



The inspector breaks open a sample to check on the texture of the ready-to-eat french fried potatoes.

hot air—this time so excess oil is removed. The inspector takes some samples here to check on the color of the fried potatoes. The potatoes may next be quickly cooled before they are frozen. A moving belt carries them through the freezer and then to packaging machines. These machines make up the packages, shake the proper amount of potatoes into each package, check the weight of the filled packages, place printed wrappers around the packages and seal them.

The printed wrappers may carry the USDA grade shield—U.S. Grade A or U.S. Grade B—or a shield stating the product was packed under continuous inspection, or both, if the processor or distributor desires. U.S. Grade A, top quality, and U.S. Grade B, good quality, are the grades for frozen french fries established by C&MS.

The USDA inspector makes sure that any product carrying these marks of quality measures up to the requirements. He heats the frozen french fries in oil or in an oven, and then checks their color, taste, size, odor, and texture. The ready-to-eat potatoes must be evenly colored and free from discolored spots. There can't be too many small or irregularly shaped pieces. And finally, they must taste good—not soggy, oily, or powdery.

Last year, inspectors with C&MS' Fruit and Vegetable Division certified the quality of millions of pounds of frozen potato products processed in the Columbia Basin plants and other producing areas. Use of the C&MS inspection service is voluntary, paid for by the user.

The author is Assistant Chief, Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, C&MS.



# STATE MARKETING ACTIVITIES

Helping cotton producers and ginners improve the quality of cotton and providing buyers and cotton mill personnel with better information for selecting cotton are the aims of a project sponsored by *South Carolina* and the Matching Fund Program of USDA's Consumer and Marketing Service.

Weekly quality reports are issued on strength, length, and length uniformity of cotton—information not previously available—and grade, staple, and micronaire data.

The reports give buyers and cotton mill personnel the detailed information they need to select cotton for specific end uses. The data, which are given by district and county, also help pinpoint areas of South Carolina that are marketing poor quality cotton. And the reports help growers and ginners improve cotton quality by giving them a better idea of the measurements of quality used by buyers in selecting cotton.

Specialists with the Hawaii Department of Agriculture have found the best time to harvest papayas, so they'll be luscious eating quality, is when they have a tinge of yellow at the blossom end. That yellow tinge is an indication of sweetness. The survey was supported by the C&MS Matching Fund Program.

With this information, growers can harvest papayas at the optimum stage of maturity. And Hawaii's grade standards for papayas are being refined to include minimum requirements for sugar content.

### NAVAJOS DEVELOP DELIVERY SYSTEM FOR USDA FOODS

The Tribal Council devised an efficient distribution system financed and operated by the Navajo Tribe for their own people.

By Charles M. Ernst, Director

Western District Consumer Food Programs Office, C&MS, USDA

THE YEAR 1968 marks the 100th anniversary of the signing of the Treaty of Peace between the Navajo Tribe and the United States Government.

This treaty, signed June 1, 1868, by 29 Navajo headmen and 10 officers of the U.S. Army, officially recognized the sovereignty of the Navajo Tribe, and established them on a 25,000 square mile reservation located mostly in the northeastern corner of Arizona and spilling over into southern Utah and western New Mexico.\*

During the intervening century the Navajos have had a substantial increase in population—now estimated to be about 125,000—and have under-gone drastic and farreaching changes in their economy, self-government, social status, education and living conditions.

While many Navajos hold jobs in business, industry and government, in some areas of the vast and arid reservation they have only begun to solve some of the problems of poverty, land depletion, lack of modern utilities and chronic unemployment. Sheep raising is still the principal means of livelihood, and it is estimated that some 96,000 Navajos are members of families at the poverty level with incomes of \$3,000 a year or less.

Many tribal, Federal and State programs are aiding the economic and social progress on the reservation, and one of the most valued is the United States Department of Agriculture's Commodity Distribution Program which supplements the diets of the Navajo Tribe's needy families.

The Navajo Tribal Council, the governing body, has since 1958 financed distribution of USDA-donated foods throughout the reservation except for that portion in New Mexico, where the program is administered by the New Mexico Department of Public Welfare.\* Cost to the Tribal Council is about \$80,000 per year in employee salaries, transportation and warehousing. On the average, some 4,200 Navajo families, including over 21,000 persons, get food each month.

The Navajo Tribe's Department of Health, Education and Welfare, under an agreement with the Arizona Department of Public Welfare, takes USDA-donated commodities and stores them in reservation warehouses at Tuba City and Fort Defiance, Arizona.

From these warehouses four trucks from the Tribal Council motor pool travel regularly scheduled routes to some 50 distribution points throughout the vast reservation where they hand out the foods directly from the truck to recipients. Each truck is accompanied by a worker from the Tribe's Welfare Section, with all the necessary files to investigate and certify eligible recipients.

Eligible Navajo families come mostly by pickup truck to the distribution points from remote hogans and grazing lands, a few still ride horses or even hitchhike. Arrangements are made for neighbors or tribal officials in the 99 Chapters (or communities) throughout the reservation to take delivery of commodities for the sick and disabled.

Distances are great (the whole of New England would just about fit into the reservation) and the dirt tracks off the main roads are often difficult to travel during the winter. For this reason "double distributions" (two-months' supply) are sometimes made in the winter months—usually in November—to reduce travel during the worst winter storms.

The efficient distribution system for USDA-donated commodities, developed, financed and operated by the Navajo Tribe for their own people, marks another milestone in their progress.

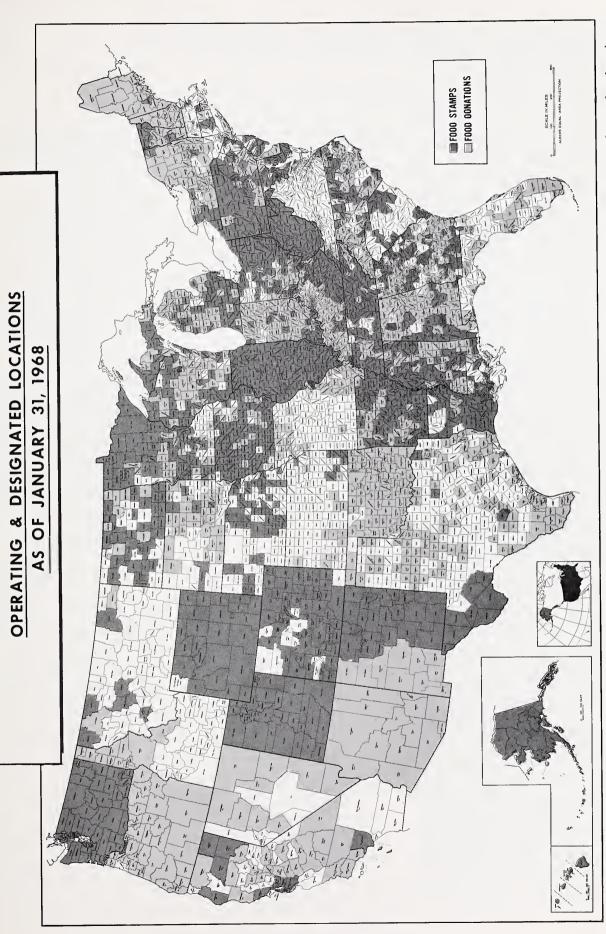
\*The New Mexico program was explained in the February 1968 issue of Agricultural Marketing.

Trucks come from reservation warehouses to some 50 distribution points where food is handed out directly to recipients.





# USDA FOOD HELP PROGRAMS FOR NEEDY FAMILIES



This map shows as of January 31, 1968: (1) Areas in which the Food Stamp Program was either operating or planned, including some 207 areas that are receiving donated food before they shift to the food stamp program; (2) Areas in which federally donated foods were available to eligible needy families. In some areas—especially in

m the Northeast—food donations are available in towns or townships rather than the ed whole county. Both programs are administered by the U.S. Department of Agricultor's Consumer and Marketing Service in cooperation with State and Local govern-

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# **CONSUMER AND MARKETING BRIEFS**

Selected short items on C&MS activities in consumer protection, marketing services, market regulation, and consumer food programs.

### WYOMING MARKET NEWS A HIT

Information reported from the newly established U.S. Department of Agriculture office at Torrington, Wyo., has been so well received that the local auction market (the Torrington Commission Co.) has discontinued furnishing its own report to news outlets. The company has requested that the local newspaper and national trade journals carry, instead, the reports issued by the USDA's Consumer and Marketing Service.

The Torrington market news office, opened in November, 1967, also reports on sales of livestockprices, supply, and demand-at the nearby Scottsbluff, Nebr., auction and the direct marketing of cattle in the North Platte Valley of both States.

### **ELECTRONIC COMPUTER GOES SHOPPING** FOR SPLIT PEAS

An electronic computer to buy

split peas? Incredible!

Not if you are buying more than six million pounds of split peas at a time. That's just what the U.S. Department of Agriculture's Consumer and Marketing Service did when it recently bought more than 3,000 tons of yellow and green split peas-at a total cost of \$521,000for school lunch programs and other eligible outlets.

As officials in C&MS's Grain Division put it, "when you are buying that many split peas, you need an efficient, economical, and unbiased means of determining how much to buy and where-and at the lowest possible cost to the Government."

The computerized split pea purchase program works this way:

- Offers are requested from the dry pea industry to sell to USDA a given number of pounds of split peas (in this case, more than six million pounds) for delivery on certain dates.
- Bids are received from the industry and are punched on special cards which are fed into a computer at USDA's Washington Data Processing Center. Other information is also fed into the computer, including instructions for considering all buying arrangements (based on bids submitted) and determining which combinations of bids will cost the Government the least amount of money.
- Bids are accepted largely on the basis of this computerized information.

C&MS officials report that even though the use of computers for buying commodities is not a new idea, this procedure is only now beginning to realize its full potential.

### MEAT INSPECTORS **DETECT HAZARDS**

Federal meat inspectors of USDA's Consumer and Marketing Service are trained, well-equipped, perceptive employees whose job it is to protect consumers, both at home and in plants where they work, from any

When meat inspector Richard Lynch walked into a processing room at a meat plant in Tampa, Florida, recently, he noticed a peculiarity in the atmosphere that he sensed from the workers' actions to be an oxygen deficiency.

Following this hunch, he flicked his cigarette lighter; it would not light. He stepped outside the room and again flicked the lighter; it burned freely and easily. He stepped back into the processing room; again it would not light.

Mr. Lynch immediately informed the plant superintendent who had the air checked. They found a serious lack of oxygen.

After evacuating the room, they discovered that a clogged exhaust on the nitrogen freezing tunnel was forcing quantities of nitrogen into the room. The exhaust was freed and the condition corrected.

C&MS officials feel that Mr. Lynch's quick suspicion and perceptive analysis relieved a potentially dangerous situation.

### **ADVERTISING ON RISE AS FEATURE** OF MARKETING ORDERS

Advertising and sales promotion is now a feature of five Federal marketing orders covering various fruit and vegetable commodities.

During late 1967, growers of Idaho-Oregon onions, California dates, and California tokay grapes voted to amend their marketing orders to authorize this feature.

The first two Federal orders to have advertising and promotion authority-and the most active with projects in this field so far-are those covering California nectarines and Texas oranges and grapefruit.

Both industries are producing and distributing point-of-sales display material. In addition, the nectarine industry employs dealerservice personnel to encourage wholesalers and retailers to feature nectarines and produces advertising materials for produce trade periodicals. The Texas citrus industry produces newspaper, magazine, and broadcast feature material.

Marketing Agricultural The Agreement Act now permits advertising and promotion authority to be added by amendment to Federal marketing orders covering several other fruits and vegetables: fresh pears, fresh plums, celery, cherries, limes, avocados, Florida and California citrus fruit, and California olives.

The authority is also available for carrots, sweet corn, and pecans, should Federal marketing orders be developed for these commodities.

### A ROUTINE FUNCTION?

A routine function of a Federal Seed Laboratory—seed identification—was given an unusual twist last year.

On two occasions the Federal Seed Lab in North Brunswick, New Jersey, was called upon to identify samples of seed which were found to be opium poppy. One sample was seed found in baggage by the U.S. Customs Service and the other was seed picked up by the Narcotics Units of the New Jersey State Police. Accompanying the second sample was a unique "do-it-yourself" package containing instructions on the cultivation and processing of the opium poppy plant.

Under the Federal Seed Act, a truth-in-labeling law administered by USDA's Consumer and Marketing Service, Federal Seed Labs also test for seed purity, germination and noxious-weed seed.

The Act protects farmers and other buyers of agricultural and vegetable seed by requiring that labels on all seed in interstate commerce show the name of the kind of seed, the percentages of pure seed, other crop seeds, inert matter, weed seeds and germination. It also enables the buyer to make an intelligent selection based on fact by prohibiting misleading advertising.

### A PLUG FOR MARKET NEWS

One of the principal transcontinental airlines last year expressed its appreciation to the Federal-State Market News Office in San Fran-

cisco, Calif., with two personal awards:

A. M. McDowell, officer-in-charge of the fruit and vegetable market news office, got a polished spark plug embedded in a paper weight that was inscribed as follows: "The end of the spark plug era, 100% jet air freight 1966. Your contribution to air freight transportation has made this possible."

Miss Liling Yee, a State employee who assists McDowell in compiling reports of air shipments of fruits and vegetables from California, was given the airlines "Fair Lady" Award.

Reports of shipments of fruits and vegetables by method of transportation are one of the services provided by the Federal-State Market News Service to give growers, shippers, buyers, and others factual information on the amounts of these commodities moving from production areas. Transportation agencies also use the reports to help plan their freight schedules and equipment needs.

The Federal-State Market News Service is administered by the U.S. Department of Agriculture's Consumer and Marketing Service, in cooperation with State Departments of Agriculture or other State agencies.

### PLENTIFUL FOODS FOR APRIL

Turkeys highlight April's Plentiful Foods List from the U.S. Department of Agriculture's Consumer and Marketing Service. Also listed are milk and dairy products, peanuts and peanut products, North Pacific halibut steaks, pork and potatoes.

Cold storage stocks of turkeys February 1 were estimated at 32% above a year ago. April milk output will be nearing its seasonal peak, so supplies of milk and dairy products will probably exceed demand. Pork output is expected to run 3 to 4% larger than last year. North Pacific halibut steaks will be economical, the peanut crop has broken all records, and potato stocks on February 1 were also a record.

# FOOD TIPS

— from USDA's Consumer and Marketing Service

Want onions without tears? Try the big, mild Spanish onions, often called "sweet Spanish," which are especially good for slicing and for salads. You can often buy these in large sizes, 3 inches or more in diameter, and sometimes packed two or three to a bag. The label may carry the U.S. No. 1 grade designation-the highest USDA grade for onions. The onions should be dry, and reasonably free from green areas and other blemishes.

If you like to serve raw carrot sticks, look for young, well-colored, small sized carrots. They will be more tender and milder-flavored than the larger and older carrots, which are more appropriate for cooking or shredding. Many stores carry pre-packaged carrots in transparent film bags marked U.S. No. 1—this is a good indication of top quality.

Beef varies in quality more than any other kind of meat. But you don't have to learn to judge beef quality for yourself. USDA grades are reliable guides to meat quality. For any specific cut-sirloin steak, for examplethe higher the grade the greater the tenderness, juiciness, and flavor. The grades consumers are most likely to find in the grocery store are, in descending quality order, USDA Prime, USDA Choice, USDA Good, and USDA Standard.

# MARKET NEWS FOR MEXICAN PRODUCE

The Nogales Office was opened in December 1967 to report on prices, shipments, and market conditions of Mexican fruits and vegetables.

MARKET INFORMATION on imports of tomatoes, cucumbers, peppers, cantaloups, and watermelons from Mexico is now being reported by the new fruit and vegetable market news office at Nogales, Ariz. Green beans, peas, and other commodities will be reported when they appear in sufficient quantities.

The Nogales office of the Market News Service, operated by the U.S. Department of Agriculture's Consumer and Marketing Service, was opened in December 1967 to report on prices, shipments, and market conditions for Mexican fruits and vegetables crossing at Nogales—the major port of entry into the United States for Mexican produce. In 1966, about 20,000 carlot equivalents of fruits and vegetables, worth around \$100 million, crossed into the United States at Nogales.

Prices and supplies of Mexican tomatoes entering at Nogales have

been made available by the Phoenix and Los Angeles market news offices since 1960, through the cooperation of the Federal-State Inspection Service at Nogales. But by 1966, the volume of imports had increased so much that a market news office in Nogales was needed to report on all fruit and vegetable imports. For example, unloads of Mexican cantaloups at 41 U.S. cities in 1966 totaled over 3,400 carlot equivalents.

Importers of the Mexican fruits and vegetables, fruit and vegetable growers and shippers in competing areas in the United States, wholesale firms, chainstore buyers, and others requested the complete market news service for Nogales. Market news reports, made available nationwide through a 20,000-mile leasedwire system interconnecting all market news offices, help shippers and buyers make effective marketing decisions.

The market reporter in Nogales contacts over 50 carlot distributors and buyers daily to obtain information about volume and market conditions of the Mexican imports. The current day's market is relayed by teletype to market news offices throughout the country for distribution to the industry.

The current day's market in Nogales, plus shipping point prices and conditions in competing areas, prices at selected wholesale markets throughout the country, carlot shipments by rail and truck, and the combined arrivals and track holdings in 16 major cities makes up the daily mimeograph report prepared by the Nogales office for distribution to whoever requests it. Market information is also supplied by telephone and telephone recorder. The Nogales office will operate seasonally from December to June each year.

# A MARK OF QUALITY

This new film puts the spotlight on USDA grades for meat, as Mrs. Scott learns how she can use them to shop—and how they work to bring her the kind of meat she wants.

MRS. SCOTT IS having trouble picking out a beef roast for dinner. But, this typical American housewife learns how USDA grades can help her choose meat. The action takes place in a new movie released by the U.S. Department of Agriculture's Consumer and Marketing Service.

During this 13½-minute color film, "A Mark of Quality," Mrs. Scott journeys from feedlot to packing plant to supermarket—and back to her own kitchen as she learns how meat grades not only provide her with a guide to buying and cooking beef but also serve as the basis for nationwide trading in livestock and meat.

The film illustrates the meaning of the marks of quality-USDA

Prime, Choice, and Good—and shows how a USDA meat grader determines the official grade on the basis of nationally uniform Federal standards.

Mrs. Scott learns that for any one cut, such as a rib roast, the grade is a guide to how tender, juicy, and flavorful it will be. She also learns about the differences between the more tender and less tender cuts from a beef carcass—and why some command a higher price than others.

This consumer-oriented motion picture is available to the public from film libraries at State universities and through field offices of the C&MS Livestock Division. It is cleared for public service showing by television stations. Copies may also be obtained by loan or pur-

chase from the Motion Picture Service, Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250. Please include your Zip Code with your request.



agricultural marketing

# Federal-State Cooperation:

# LIVESTOCK GRADES

Bu John C. Pierce, Director, Livestock Division, C&MS, USDA

SEDERAL-STATE cooperation has seldom been better demonstrated than at a meeting in February in the Panhandle community of Guymon, Oklahoma. There, 100 livestock marketing men, from widespread sections of the country, attended the annual three-day conference of the National Livestock Grading and Marketing Association.

The Association was founded by livestock marketing specialists as a means of achieving uniform interpretation and application of Federal grade standards by State officials.

The annual conference provides an opportunity for Association members, who are mainly State grading and marketing personnel, to meet with representatives of the U.S. Department of Agriculture's Consumer and Marketing Service for an intensive session on livestock

Discussions and demonstrations of Federal standards for livestockand for carcasses-are led by Eddie Kimbrell, a marketing specialist in the C&MS Livestock Division, who heads the USDA delegation to these annual meetings and also serves as executive secretary of the Associa-

Mr. Kimbrell acts as liaison between the C&MS Livestock Division and the 28 State departments of agriculture represented in the Association. This liaison work involves more than the annual Association conference-that is just one of the ways in which C&MS and the State departments of agriculture cooperate to promote better livestock grading and bring about better livestock marketing.

C&MS does not presently conduct a regular official grading service for livestock, as it does for meat, although it does grade a limited volume for special purposes, such as delivery on futures contracts.

Many States, however, have adopted the use of USDA grades in their own livestock marketing pro- vides an excellent opportunity for

grams; and through these State programs the Federal grades are often used in special livestock sales, sponsored by local producer organizations. Producers feel that because these sales involve a sizable number of animals available at one time. they attract a greater number of buyers than would otherwise be

In these sales, USDA grades are used as a means of market identification to aid buyer and seller in appraising value. State officials provide the disinterested "third party" grading. Special sales, and the grade identification, have been so successful that some of these transactions are now completed by telephone-on the basis of USDA grades-the buyer never seeing the livestock until they are delivered to him.

Feeder cattle comprise the bulk of the livestock handled through special sales-and hence account for the bulk of the State grading work. Feeder pigs and finished lambs are also sold through these sales in some States, and they, too, are graded by State officials. And some State programs include the grading of slaughter cattle and hogs marketed through auctions and other normal market outlets.

Because of all this grading activity, a substantial part of each Association conference is devoted to demonstrating the various USDA grades by applying them to livestock -and then to the resulting carcasses. (In fact, this has become the dominant feature of the meetings.) Association members can check their judgment of the grade of a slaughter steer by following the animal through the packing house where a C&MS specialist will grade the carcass. If they assigned the right grade to the animal "on the hoof" it will be the same grade as the carcass in the cooler.

The annual conference also pro-

those with similar responsibilities in government, industry and extension work-to meet and exchange ideas. They discuss opinions and ideas about grading and frequently make suggestions for improving the standards. Possible changes in official standards are discussed by government leaders who work closely with the livestock industry in their individual States. At the Guymon meeting, for example, the proposed USDA revisions in the pork carcass standards, and related changes in standards for grades of slaughter hogs, were discussed.

Throughout the year, the C&MS Livestock Division and the State departments of agriculture cooperate on other activities-such as seasonal grading schools held on a regional basis. Because many States become involved in sales of some classes of livestock at about the same time each year, these grading schools provide members the opportunity to brush up on their grading immediately prior to the beginning of the sale season, and help assure uniformity in grade application.

For example, a grading school is held before the start of fall feedercalf sales. Calves are graded and discussed so that all attending will have common understanding of what an animal grading, for instance, USDA Good, looks like. These schools, under Mr. Kimbrell's guidance, contribute greatly to uniform grading from one sale to another and from one State to another.

Other continuing activities include personal visits by C&MS specialists to State-graded sales and talks and demonstrations at producer meetings to acquaint the industry with grades and standards.

Through joint efforts such as these, the States and the Federal Government work toward improving the marketing of livestock and meat -to the benefit of everyone from producer to consumer.

OFFICIAL BUSINESS

# INTERNATIONAL GROUP STUDIES BANANA PROBLEMS

By Floyd F. Hedlund, Director, Fruit and Vegetable Division, C&MS, USDA

To BECOME more nearly selfsufficient, developing nations want and need foreign markets for agricultural products.

The problem of free access to foreign markets was one of the major subjects of discussion of the Food and Agricultural Organization Banana Study Group that met in the Canary Islands, Spain, October 9-17, 1967. Representatives of 26 nations—including those who produce more than 90 percent of the world's banana exports and those who import 75 percent—attended the meeting. Five international organizations also were represented.

Bananas are an important fruit in most tropical lands, and the major product of several countries in South and Central America, Africa, and the Caribbean. South and Central American producers, supported by the United States, are interested in free access to foreign markets, particularly in Europe. Many African and Caribbean producers now have protected markets with particular European countries and would like to keep these arrangements.

Some progress in reconciling these opposing views was made at the FAO meeting, the Second Session of the Banana Study Group, which recommended in its final report:

"that importing countries should undertake a gradual abolition of customs duties and other restrictions affecting the banana trade, including import quotas, taking fully into account the special position of certain less developed banana exporting countries and provided that these measures did not entail the risk of jeopardizing the position of those producing countries."

The Study Group also considered international quality standards for

The author was Chairman of the U.S. Delegation to the Banana Study Group.

bananas, but decided that because of the differences in fruits grown in different areas, no meaningful standards were feasible at this time. Development of standards for fruits and vegetables is a major responsibility of the U.S. Department of Agriculture's Consumer and Marketing Service. Members of C&MS Fruit and Vegetable Division represent the United States on the Codex Alimentarius Commission, an international body established by FAO and the World Health

Organization to develop international standards for foods (see *Agricultural Marketing* Oct. 1967).

Other subjects discussed by the Banana Study Group were market developments in 1966 and 1967 and long-term prospects for production and trade. Of particular concern were adequate statistics on production, consumption, costs, and prices. Although consumption of bananas had increased in importing countries in 1965 and 1966, delegates of most of these countries concluded that the rate of growth was not likely to be maintained in coming years. The Study Group therefore stressed the importance to producing countries of having up-to-date information on the market outlook so that they could realistically plan their development and investment programs. To this end, the Study Group established a permanent Committee on Statistics to evaluate statistical data and to issue economic outlook statements.

Continuing studies of the longer term outlook for the banana trade and of the possible impact of trade liberalization were approved by the Study Group, as was a comprehensive study of all aspects of production, trade, and consumption of bananas.